## Message Text

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**ACTION EUR-12** 

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CONFIDENTIAL OECD PARIS 28612

PASS DAVID OLIVER, FEA

E.O. 11652: GDS TAGS: ENRG, OECD

SUBJECT: IEA: LETTER FROM SECRETARIAT RE CRUDE COST DATA REPORTING

1. SECRETARIAT (BRYANT) HAS REQUESTED THAT FOLLOWING CLASSIFIED LETTER BE FORWARDED TO DAVID OLIVER, FEA.

## 2. BEGIN TEXT

PLEASE REFER TO DOCUMENT IEA/SOM(76)52 DISCUSSING
THE PROBLEM OF AFFILIATED COMPANY CRUDE OIL COST
REPORTING. IN CASE IT PROVES INFEASIBLE FOR SHELL OIL
TO REPORT THEIR ACQUISITIONS THROUGH SHELL INTERNATIONAL,
I ASKED NICK COLE TO SEE WHETHER A SYSTEM COULD BE
DEVISED WHERE THE BLACK BOX WOULD RECOGNIZE AND DEAL
WITH THE CONFIDENTIALITY PROBLEM. THE FOLLOWING IS
COLE'S MEMO TO ME ON THE SUBJECT:

1. THE PROBLEM HAS BEEN RAISED OF UNAUTHORIZED DISCLOSURE OF CRUDE COSTS WHEN ONE COMPANY A, INSTEAD OF MAKING ITS REPORT TO THE GOVERNMENT VIA ITS HEADQUARTERS, MAKES TWO REPORTS FOR ONE CRUDE STREAM, THE HEADQUARTERS TO ONE GOVERNMENT AND AN AFFILIATE TO ANOTHER; IF ONE OTHER COMPANY B, REPORTS TO A THIRD GOVERNMENT, THE BLACK BOX PROCEDURE WILL PASS THIS AS O.K. FOR AGGREGATION BECAUSE THREE COMPANIES HAVE REPORTED; IN FACT, ONLY TWO COMPANIES HAVE REPORTED AND COMPANY A CAN CONFIDENTIAL

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DEDUCE THE COSTS OF COMPANY B.

- 2. A POSSIBLE SOLUTION WOULD BE FOR GOVERNMENTS TO REPORT UNDER CERTAIN CONDITIONS THE COMPANIES WHICH HAVE REPORTED TO THEM. SPECIFICALLY, THE REPORTING FORM WOULD HAVE SPACES BESIDE THE COLUMNS FOR NUMBER OF COMPANIES IN WHICH CODES IDENTIFYING THE REPORTING COMPANIES WOULD BE INSERTED, IF LESS THAN THREE COMPANIES HAVE REPORTED. IN THIS WAY THE BLACK BOX PROGRAM COULD, AS WELL AS CHECKING ON NUMBERS OF COMPANIES, CHECK ON IDENTITIES OF COMPANIES AND AMEND THE NUMBER OF COMPANIES ACCORDINGLY IF IT WERE FOUND THAT THE SAME COMPANIES HAD REPORTED TO MORE THAN ONE GOVERNMENT.
- 3. AT NO TIME WOULD THESE CRUDES REPORTED ON THE CARDS BE KNOWN TO IEA PERSONNEL OR OTHER GOVERNMENT PERSONNEL; THEY WOULD NOT APPEAR ON THE OUTPUT LISTINGS.
- 4. THE PROPOSED TECHNIQUE FOR DEALING WITH ANY CASE OF A COMPANY REPORTING TO TWO GOVERNMENTS IS FOR THE BLACK BOX PROGRAM TO CONTAIN A TABLE OF COMPANY CODES AND COUNTRIES OF RESIDENCE; A REPORT BY A COMPANY TO A GOVERNMENT OTHER THAN THAT OF ITS COUNTRY OF RESIDENCE WOULD BE REARRANGED FOR THE PURPOSE OF THE LISTING TO THE COUNTRY OF RESIDENCE. THIS TECHNIQUE WOULD COVER ALL THE EVENTUALITIES OF MULTIPLE-REPORTING BY MULTIPLE-COMPANIES."

IPROPOSE THAT THE QUESTION BE DISCUSSED AFTER
THE AD HOC WORKING GROUP MEETING ON 4TH OCTOBER
BETWEEN THE DELEGATES OF THE SIX CURRENT REPORTING
COMPANIES. I SHOULD BE GRATEFUL IF YOUR DELEGATES
COULD BE IN A POSITION TO GIVE THIS PROBLEM ITS FIRST
EXPOSURE AT SUCH A MEETING. REGARDS, BRYANT.
C.C. MR. NIALL ROBERTS, DEPT. OF ENERGY, LONDON
END TEXT
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## Message Attributes

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Subject: IEA: LETTER FROM SECRETARIAT RE CRUDE COST DATA REPORTING

TAGS: ENRG, US, OECD, (OLIVER, DAVID)
To: STATE

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